Charity Commission No. NIC 104023
HMRC Charity Reference: XR 93502
Company Registration No. NI020329 (Northern Ireland)

TOWNSEND ENTERPRISE PARK LIMITED

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

TOWNSEND ENTERPRISE PARK LIMITED
(A COMPANY LIMITED BY GUARANTEE)
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TOWNSEND ENTERPRISE PARK LIMITED
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Paul Darragh Colin Skillen Rev John Lamb Heather Murray John Neill John Hunter Father Ciaran O'Callaghan Linda Graham Gareth Nethercott
Secretary	Mrs M Patterson-McMahon
Charity number	NIC 104023
Company number	NI020329
Registered office	Townsend Enterprise Park Townsend Street Belfast BT13 2ES
Auditor	Moore (N.I.) LLP 4th Floor Donegall House 7 Donegall Square North Belfast BT1 5GB
Bankers	Bank of Ireland 202 Andersonstown Rd Belfast BT11 9EB
Solicitors	Millar McCall Wylie LLP Eastleigh House 396 Upper Newtownards Road Belfast BT4 3EY

TOWNSEND ENTERPRISE PARK LIMITED
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their report and accounts for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The charity's objects are set out in the Memorandum and Articles of Association. The principal activities of the charity are that of:

(1) Promotion of urban regeneration for the public benefit in Belfast/Greater Belfast area and its environs (the "area of benefit"), by all or any of the following means:

- Creation of training and employment opportunities for the unemployed and underemployed by the provision of workspace, building and/or land for use on favourable terms;
- Provision of business advice or consultancy in order to provide training and employment opportunities for unemployed or underemployed people in cases of financial or other charitable need through help;
  (i) in setting up their own business, or
  (ii) to existing business or those considering establishing a business;
- The promotion and support of social enterprise and sustainable means of achieving economic growth and regeneration; and
- The relief of unemployment in such ways as may be thought fit.

(2) The advancement of community development in the area of benefit and in particular the promotion of the community and voluntary sector for the benefit of the public by providing facilities and other support to community and voluntary groups.

We have earned the reputation of being a major enterprise development player in Belfast having assisted many businesses, social enterprises and charities to start-up, develop and expand. We have also worked effectively with other stakeholders to lead the regeneration of important aspects of the built environment surrounding our premises and are making progress to promote and celebrate the area's important industrial, cultural and social heritage credentials for the benefit of the wider community.

The activities to meet our objectives are set out in an overall strategic framework based on four key pillars During this year under each of these themes the charity has had the following achievements and performance.

Resources
A high priority for us is to maintain jobs and support economic development in this area of high deprivation by continuing to offer suitable quality accommodation at favourable rates and subsidised service charge costs. Whilst these subsidies provided some private benefit to the owners of small businesses who rent the units and offices we view this to be ancillary to the main purpose greatly outweighed by the gains in public benefit which can be identified and measured through the sustained labour resource in the area, among other benefits.

We maintained a high occupancy rate (averaging 96%) during the period, despite continued pressure on tenants arising from the 'cost of living' crisis and challenging funding environment for our third sector tenants, thus protecting jobs, and continuing to encourage economic and social regeneration.

During the period we undertook substantial renovation and refurbishment to the fabric of buildings across the estate. This included replacement of several units' roofs and gutters, installation of a new shopfront and improved accessibility to the office building for disabled people, refurbishment of common areas, toilets and kitchens and upgrading of lighting and heating. These upgrades have improved the appeal of the office to existing and potential new tenants, improved energy efficiency and made the building more accessible to all users.

During the period we also reorganised our IT and communications services, moving to a manged support service which looks after our cyber security as well as infrastructure and software. This has substantially improved our resilience and ability to recover from incidents without the need to wait for hands-on IT support, ensuring that neither we nor our tenants are without critical IT services for long.

We will continue to invest in maintenance and upkeep of the estate more generally, prioritising works according to needs but ensuring that they remain fit for purpose and meet all statutory and health and safety requirements.

Regeneration Projects
We have continued to execute our plans for Re-Imagining, Re-building & Re-connecting Townsend Street with a landmark industrial-styled canopy at the front of the building now installed referencing the important industrial heritage of the site, and continued promotion of the 'Foundry Quarter' concept through enhanced internal exhibition space. Consultants have also been retained to support us with grant applications for a larger outdoor exhibition space, with concept plans already produced.

We have developed a strategic partnership with the Trustees of the Townsend Street, Belfast Presbyterian Endowments and the Ulster Orchestra (which now occupies the next-door church and old school buildings) to further local understanding of the industrial, social and cultural heritage of the street with a view to promoting the area as a great place in which to live, work and invest. Initially, this has taken the form of applying together for area development funds, and we are excited to have partners now with similar goals.

In the development of these projects and partnerships we shall continue to explore and develop other initiatives to benefit the deprived area in which we are located. This is with a view to providing greater employment and training opportunities for the residents living in our area, leading to a reduction in unemployment and financial hardship.

Community Investment & Linkages
We continue to work with the local communities and other stakeholders, through various forums, including the Lower Falls and Shankill Forum and the Unwanted Bonfires Panel, with meetings being held to address diverse issues which affect the wellbeing of the local community, including broader issues such as deprivation, inequality, and anti-social behaviour.

Senior management also provides time, expertise and resources to support other charitable organisations which work in partnership with Townsend Enterprise Park and /or share complementary charitable objectives. Property maintenance and management services are also provided to certain charities, along with subsidised rent and support services where there is a clear alignment of charitable interests.

Training & Skills Development
As we advance our work, we continue to review the skills and expertise required to aid future work and plans.

The annual Investors in People assessment saw us maintain our Silver certification, demonstrating our continued commitment to a positive working environment in which everyone feels valued and able to contribute to the organisation's success.

The training and skills development of all employees is reviewed during the annual performance review ensuring that they are up to date in all areas essential to our effective operation. During the period staff variously undertook IT training, health and safety at work training (such as manual handling, power washing, handling sharps, using ladders), and heritage project training.

Public Benefit
The Trustees of the charity confirm that through the continued development and delivery of their objectives they have complied with their duty under the Charities Act (Northern Ireland) 2008 to have regard to the Charity Commission for Northern Ireland guidance on public benefit and that this benefit has informed the activities of the charitable company during this year ended 31st March 2023.

Achievements and performance
Financial review
Trading performance continues to be strong over the period, with occupancy levels being maintained at an average of 98%. With increasing operating costs both a rent and service charge increase were applied, however day-to-day expenditure is carefully managed as inflationary increases put pressures across all cost centres. The largest pressure is the extraordinary increases in our property insurance premium due to no fault of the organisation. Our net deficit is attributable to that increase from 2021-22, in addition to having to undertake larger maintenance work and repairs to roofing.

Reserves Policy
Our reserves policy is to retain a level of capital which allows us to meet our operational costs for a 4-month period in the event of a 50% drop in income together with a sum estimated to cover the redundancy costs for 50% of the staff (including associated professional costs) which would arise from the restructuring of its operations and workforce to reflect a lower operating income base. The specific amount is determined when setting and agreeing the annual financial budget for each new trading year and reviewed quarterly during the year. From time to time, we may retain more capital than is required by this policy to meet future anticipated capital expenditure, perceived risks and/or to take advantage of investment opportunities. The reserves policy is reviewed regularly (at least annually) in line with our business operations and perception of associated risks.

Plans for future periods
We recognise the need to maintain high occupancy levels in order to fund further renovation and restructuring works both to our physical and digital infrastructure, whilst also seeking sources of alternative funding to deliver initiatives within the immediate locality with stakeholders and partners.

Key risks
We continue to assess our risk environment and monitor and mitigate these to the extent reasonably possible.
Key risks include:
Financial: a drop in income more than 15%, or an un-mitigated increase in costs of 15% (or some combination of the two) would result in us running at a net deficit.
Health & Safety: the complex make-up of tenant industries and corresponding operational risks makes it difficult to effectively manage and mitigate health and safety risks.
Key-person Risk: with a small management team the impact of any one members of staff being unavailable for a prolonged period is significant.

We continue to manage these risks through regular assessment and preventative and mitigating actions.

Structure, governance and management

Townsend Enterprise Park Limited is a company limited by guarantee and is governed by a Board of Trustees, who meet monthly. Members are invited by the charity to serve on the Board on the basis of their area of interest and expertise and their willingness to support the ethos, mission and values of the charity. New members are normally elected at the AGM in October but the Board may at any time co-opt people who would hold office until the next AGM. The Board ensures the governance of the charity represents best practice.

No business is transacted at a General Meeting unless a quorum is present. A quorum is three members. Unless determined by the company in General Meeting, the number of trustees shall not be less than three, the charity have sub-committees which meet on an ad-hoc basis; these are Finance, Personnel, Estates, Marketing, Strategy and Business Development.

The charity holds an Annual General Meeting each year in addition to all other general meetings. Decisions are made by passing resolutions.

The appointment of a trustee will in the first instance be dependent on the skills gap identified within the Board. Having identified a gap, the Board will seek to make this known either through public advertisement or by approaching a body representing the skill required e.g. The Law Society. Expression of interest will be received by the submitting of a C.V. and letter outlining what they believe they can bring to the Board and the organisation. If following an interview, the applicant is deemed suitable, a recommendation will be brought to the Board by a proposer and they will then be duly appointed by full agreement of all trustees.

Each employee has an annual performance appraisal conducted, at this time salaries' will be reviewed to ensure that they are line with the role and level of responsibility.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Paul Darragh
Colin Skillen
Rev John Lamb
Heather Murray
John Neill
John Hunter
Father Ciaran O'Callaghan
Linda Graham
Gareth Nethercott

Auditor

The auditor, Moore (N.I.) LLP, is deemed to be reappointed under section 487(2)- of the Companies Act 2006.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Colin Skillen
Dated: 17 October 2023

TOWNSEND ENTERPRISE PARK LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF TOWNSEND ENTERPRISE PARK LIMITED

Opinion

We have audited the financial statements of Townsend Enterprise Park Limited (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the accounts* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2008, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

R. I. Peters Gallagher

Dr R I Peters Gallagher OBE FCA (Senior Statutory Auditor)
for and on behalf of Moore (N.I.) LLP

17 October 2023

Chartered Accountants
Statutory Auditor

4th Floor Donegall House
7 Donegall Square North
Belfast
BT1 5GB

TOWNSEND ENTERPRISE PARK LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income and endowments from:					
Donations and legacies	3	-	10,991	10,991	6,255
Charitable activities	4	327,643	-	327,643	297,103
Other income	5	7,580	33,523	41,103	153,474
Total income		335,223	44,514	379,737	456,832
Expenditure on:					
Raising funds	6	9,789	-	9,789	13,319
Charitable activities	7	375,764	-	375,764	329,023
Other expenditure	11	-	5,676	5,676	168,359
Total resources expended		385,553	5,676	391,229	510,701
Net (outgoing)/incoming resources before transfers		(50,330)	38,838	(11,492)	(53,869)
Gross transfers between funds		20,718	(20,718)	-	-
Net (expenditure)/income for the year/ Net movement in funds		(29,612)	18,120	(11,492)	(53,869)
Fund balances at 1 April 2022		975,162	-	975,162	1,029,031
Fund balances at 31 March 2023		945,550	18,120	963,670	975,162

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TOWNSEND ENTERPRISE PARK LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	13		847,697		810,551
Current assets					
Debtors	14	39,792		37,649	
Cash at bank and in hand		192,983		224,714	
		232,775		262,363	
Creditors: amounts falling due within one year	15	(116,802)		(97,752)	
Net current assets			115,973		164,611
Total assets less current liabilities			963,670		975,162
Income funds					
Restricted funds			18,120		-
Unrestricted funds			945,550		975,162
			963,670		975,162

The notes on pages 12 to 21 form part of these financial statements.

The financial statements were approved by the Trustees on 17 October 2023

Colin Skillen
Trustee

Company registration number NI020329

TOWNSEND ENTERPRISE PARK LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash generated from operations	21		**66,228**		34,756
Investing activities					
Purchase of tangible fixed assets		**(97,959)**		(42,918)	
Net cash used in investing activities			**(97,959)**		(42,918)
Net cash used in financing activities			**-**		-
Net decrease in cash and cash equivalents			**(31,731)**		(8,162)
Cash and cash equivalents at beginning of year			**224,714**		232,876
Cash and cash equivalents at end of year			**192,983**		224,714

The notes on pages 12 to 21 form part of these financial statements.

1 Accounting policies

Charity information

Townsend Enterprise Park Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is Townsend Enterprise Park, Townsend Street, Belfast, BT13 2ES.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are funds received which are earmarked by the donor for specific purposes. Such purposes are within the overall aims of the charity. Deficits on restricted funds are met by a transfer of an equivalent amount from unrestricted funds.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies **(Continued)**

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources. Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities.

Cost of generating funds

These include salaries, direct expenditure and overhead costs of staff who promote fundraising, including events and mailings.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to supply them.

Governance costs

Governance costs include those incurred in the governance of its assets which are associated with constitutional and statutory requirements.

Support costs

Support costs include central functions and are allocated to activity cost categories on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% straight line
Plant and machinery	25% reducing balance
Office equipent	25% straight line
Internet equipment	10% straight line
Refurbishment Improvements	

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 **Accounting policies** **(Continued)**

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Government Grants

Government grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met, usually on submission of a valid claim for payment.

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments.

1 Accounting policies (Continued)

1.13 Taxation

Townsend Enterprise Park Limited is a registered charity with HMRC and is entitled to certain tax exempt income and profits from investments in furtherance of the charity's primary objectives, if these surpluses are applied solely for charitable purposes.

The charitable company is registered for VAT and accordingly, all its expenditure is recorded exclusive of any VAT incurred.

1.14 Reserves Policy

The reserves policy of Townsend Enterprise Park Limited is to achieve a level of reserves which match the needs of the Charity both at the current time and in the foreseeable future. The reserves required will be sufficient to meet the running costs for a period equivalent to approximately 4 months annual expenditure.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Restricted funds	Unrestricted funds
	2023	**2022**
	£	**£**
Grants receivable	**10,991**	6,255
Grants receivable for core activities		
Covid Job Retention Scheme	**-**	6,255
Heritage programme grant	**10,991**	-
	10,991	6,255

4 Charitable activities

	Rental fees	Rental fees
	2023	2022
	£	£
Rental fees	**327,643**	297,103

5 Other income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	**2023**	**2023**	2022	2022	2022
	£	**£**	**£**	£	£	£
Other income	**7,580**	**-**	**7,580**	23,474	-	23,474
Fire Insurance Income	**-**	**33,523**	**33,523**	-	130,000	130,000
	7,580	**33,523**	**41,103**	23,474	130,000	153,474

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Marketing and publicity		
Advertising	**9,789**	13,319
	9,789	13,319

6 Charitable activities

	2023	2022
	£	£
Staff costs	138,436	136,635
Depreciation and impairment	60,813	58,844
Rates & water rates	1,679	1,805
Insurance	45,324	21,602
Electricity	11,872	14,243
Premises expenses	84,569	55,511
Telephone	3,673	5,160
Printing, postage & stationery	1,202	1,509
Security	1,676	365
General expenses	8,050	5,206
Training costs	-	250
Travel expenses	80	24
Hospitality	357	879
Bank charges & interest	371	355
Bad debts	5,564	14,850
	363,666	317,238
Share of governance costs (see note 8)	12,098	11,785
	375,764	329,023

8 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Audit fees	-	5,400	5,400	5,400
Legal and professional	-	6,698	6,698	6,385
	-	12,098	12,098	11,785
Analysed between				
Charitable activities	-	12,098	12,098	11,785

Governance costs includes payments to the auditors of £2,700 (2021: £2,700) for audit services and £2,700 (2021 £3,625) in relation to other accountancy/bookkeeping services.

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year, other than those referred to in the related party transactions note.

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration	6	6

Employment costs	2023 £	2022 £
Wages and salaries	134,872	133,071
Other pension costs	3,564	3,564
	138,436	136,635

There were no employees whose annual remuneration was £60,000 or more.

11 Other expenditure

	Restricted funds 2023	Restricted funds 2022
Fire related expenditure	2,688	166,559
Heritage Programme expenditure	2,760	-
Belfast City Council Project Expenditure	228	1,800
	5,676	168,359

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxationof Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 **Tangible fixed assets**

	Land and buildings	Plant and machinery	Office equipent	Internet equipment	Refurbishment Improvements	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	1,659,637	123,529	188,988	163,546	-	2,135,700
Additions	1,026	750	5,595	3,330	87,258	97,959
At 31 March 2023	1,660,663	124,279	194,583	166,876	87,258	2,233,659
Depreciation and impairment						
At 1 April 2022	943,850	98,662	180,679	101,958	-	1,325,149
Depreciation charged in the year	33,196	6,988	2,736	16,605	1,288	60,813
At 31 March 2023	977,046	105,650	183,415	118,563	1,288	1,385,962
Carrying amount						
At 31 March 2023	**683,617**	**18,629**	**11,168**	**48,313**	**85,970**	**847,697**
At 31 March 2022	715,787	24,867	8,309	61,588	-	810,551

14 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	8,894	12,904
Other debtors	5,629	4,716
Prepayments and accrued income	25,269	20,029
	39,792	37,649

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	3,087	3,038
Payments received on account	5,868	5,208
Trade creditors	96,850	82,028
Other creditors	1,319	808
Accruals and deferred income	9,678	6,670
	116,802	97,752

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,564 (2022 - £3,564).

17 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:				
Tangible assets	847,697	-	847,697	810,551
Current assets/(liabilities)	97,853	18,120	115,973	164,611
	945,550	18,120	963,670	975,162

18 Financial commitments, guarantees and contingent liabilities

The charitable company had no financial commitments, guarantees or contingent liabilities at the year end.

On 16th March 2021 £20,000 was received from Belfast City Council via the Business Cluster and Community Grant. As at 31st March 2023, £9,889 remained available.

19 Related party transactions

Remuneration of key management personnel
The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	**95,905**	90,668

There is no ultimate controlling party.

Mr C Skillen is a trustee of the charitable company and an employee in Diamond & Skillen Chartered Accountants. During the year Diamond & Skillen Chartered Accountants invoiced the company a total of £1,105 (2022: £600) for payroll services of which £410 (2022: Nil) was due at the year end. £Nil was also invoiced for Job Retention Scheme services (2022: £415).

20 Liability of members

Townsend Enterprise Park Limited is a company limited by guarantee. The liability of each member is limited to an amount not exceeding £1.

21 Cash generated from operations

	2023	2022
	£	£
Net income	**(11,492)**	(53,869)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	**60,813**	58,844
Movements in working capital:		
(Increase) in debtors	**(2,143)**	(3,174)
Increase in creditors	**19,050**	32,955
Cash generated from operations	**66,228**	34,756

22 Analysis of changes in net funds

The charity had no debt during the year.